

COMMITTEE OF ENQUIRY ON MEDICAL SERVICES  
in the  
PROVINCE OF ONTARIO

SCIENCE &amp; MEDICINE DEPT.

Mr. Chairman, Members of the Committee of Enquiry:

1. The Directors and Members of the Co-operative Medical Services Federation of Ontario wish to express their pleasure at the opportunity to appear before your Committee.

2. The Co-operative Medical Services, located in the Counties of this Province, have been providing more and more comprehensive health services to the residents of the Province. Special emphasis has been placed on those of the Ontario population who, through the fact of being self-employed, have not, over the years, been in a position to secure what might be termed group insurance at group rates. Medical Co-operatives are organized on the principle of the members providing for themselves such services as they wish to provide in the health care field. Over the years this has been an ever-increasing level of care. At the present moment we feel that the 31 County Medical Co-operatives that make up our Federation are providing for care of the highest possible degree through the mechanism of insurance.

3. We would first like to draw to your attention the fact that each Co-operative is autonomous and self-regulating to the degree in which it provides services for its members. Perhaps more effectively than any other form of endeavour in the health insurance field in this Province, the Medical Co-operatives act to allow an expression of desire by the members as to what such services should comprise without any form of limitation being placed on these services due to the particular interest of any one segment



REPORT ON THE PROGRESS OF THE MEDICAL SERVICE  
IN THE  
ARMY OF THE UNITED STATES

By the Surgeon General, Department of the Army

The Director and members of the Committee on Medical Service, established in 1917, have the honor to submit to the Surgeon General the following report on the progress of the medical service in the Army during the year 1918. The Committee was organized to study the medical service in the Army and to make recommendations for its improvement. It has held numerous public hearings and has received many suggestions from the medical and non-medical personnel of the Army. It has also conducted extensive research into the various problems connected with the medical service. The results of its work are set forth in this report. The Committee believes that the medical service in the Army has made considerable progress during the year 1918, but that there is still much to be done. It recommends that the following measures be taken: 1. That the medical service be reorganized so that it may be more efficient and economical. 2. That the medical personnel be better trained and equipped. 3. That the medical service be better coordinated with the other services of the Army. 4. That the medical service be better adapted to the needs of the Army in the future. The Committee believes that these measures are essential for the improvement of the medical service in the Army. It urges the Surgeon General to take prompt action upon its recommendations.



of our population. Stated perhaps more simply, this is a matter of the consumer of these services being provided with the mechanism and the opportunity to supply himself with these services.

4. Since the 31 Medical Co-operatives in the Federation operate under the direct and personal responsibility of the local members and their elected officials, we can very strongly approve of the principle of the Medical Services Insurance Bill as it permits each purchaser of medical insurance to secure such insurance from the carrier of his or her choice.

5. We would like to stress that it is the contention of this Federation and its Members that the provision of total health care is the desirable end toward which thinking should be directed and it should be recognized that this present Bill is only the first step in the establishment of mechanisms for achieving this goal.

6. Our own experience with a functioning Major Medical plan has shown that it is both practical and highly feasible to provide very broad coverages to our members in such areas of cost as drugs, ambulance, appliances, nursing bills, and many other items of expense that occur during illness and which, generally, are left as a burden on the shoulders of the individual.

7. Our work with professional groups, such as the Chiropractic and Optometric professions, has proven to our satisfaction that it is quite feasible for a consumer group to associate with and have the utmost in satisfactory dealings with such professional groups without there being insolvable problems raised from either direction. It is primarily a matter of a desire to see the provision of those professionally supplied services brought within





the reach of all without undue financial strain on any one and in such a way that there is no infringement upon either party's rights or liberties.

8. The matter of basic economic equality among carriers must be stressed at this point and while we fully agree that there are certain very clear and definite lines dividing the approach to the insurance problem as taken by insurance companies, doctor-run medical plans and owner-consumer medical plans, the fact remains that all three kinds of organizations are entitled to exist in our economy without any undue pressures or coercive factors being applied in favour of any one of these forms of carriers.

9. Since it is evident that certain segments of our population will require economic assistance to secure insurance coverage and since this assistance can only come from tax sources, it would appear inequitable to permit any one carrier to enjoy a preferred position and to be entitled to settle its accounts at a lower rate than all the other carriers. It is our distinct and decided feeling in this matter that settlement of all accounts by all carriers must be on an identical basis of payment; and further, that this basis of payment must represent the same dollar outlay by each carrier in settlement of identical claims.

10. It is inherent, we feel, in this entire Bill that the Schedule of Fees as set out by the Ontario Medical Association be the basis of actual settlement of each claim; and further, that the payment of such amount by the patient or by the patient's carrier to the doctor, should discharge the liability of that patient or that carrier for services rendered. Further, it is of





great importance that all carriers be advised of any changes in the Schedule of Fees at least six months prior to their taking effect.

11. We fully realize the magnificent role that has been played by the medical profession and we are well aware that a high degree of personal ability, that surpasses mechanical skill and scholastic achievement, enters into the treatment of many conditions. It is our belief, however, that only by placing the people of the Province of Ontario in a position where they will know that their insurance coverage will, without question and without doubt, discharge their whole medical bill regardless of what kind of illness is developed or what kind of accident they might sustain, can this plan be successful. We feel that the Government's proposed Bill can be a highly constructive step in the provision of health care through insurance and we are prepared to recognize the fact that this will entail, as most social advancement does, the loss of certain rights and prerogatives of many of the people intimately concerned with this problem. We are quite willing and ready to make these sacrifices and trust that all other parties involved in this entire question of health care insurance will also realize that the end toward which we have an opportunity of working can, if approached in the proper way, result in a much more beneficial programme for the people of this Province than is currently the case.

12. We feel that there is one significant aspect of the Bill which has been overlooked and which we would, at this point, like to draw to your attention: unlike the Ontario Hospital Services

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Commission Act, there is no provision in this current Bill for the assistance, in a financial sense, of the vast majority of the population of this Province through either Federal or Provincial contributions to the premium structure. Therefore, the present Bill provides us with the mechanism for a considerably enlarged and perhaps even daring approach to a chronic and worsening problem. We refer to the question of financing the education of those who are desirous of achieving a medical education.

13. Our own experience, in the past two years, has shown that our giving of a \$2,000.00 Medical Bursary (in four \$500.00 installments in the years following the passing of the pre-medical course) is a highly desirable procedure and although at the present time we are able to assist only one new student each year, we have hopes of gradually enlarging our activities in this field and we would suggest to this Committee that they might be well advised to look at the possibility of providing for the use of some of the monies, collected as part of the premium structure of the insurance plan, to actually provide for the ever increasing demands for medical personnel which this Province will face as our population grows and expands. We feel it is incumbent upon us to spell out that we do not visualize this Bursary to be used in any way as a lever or in any means to exercise control over the medical profession. The Bursary should, in our opinion, be granted on the basis of economic need coupled with an indication of academic ability to succeed.

14. In reviewing the proposed Bill, we find Medical Carriers Incorporated as being spelled out in great detail as to its incor-





poration, voting rights of members and many similar points.

15. As far as we can determine from this Bill, Medical Carriers Incorporated's sole purpose seems to be the establishment of open enrollment periods across the Province and the fixing of the maximum premium beyond which no insurer may charge for the specified services. We feel deep concern that this Bill should spell out the structure of Medical Carriers Incorporated in such detail without being more specific as to the nature of the areas of control which will be in the hands of Medical Carriers Incorporated. We would feel most reluctant to participate in such an organization if its duties were to extend beyond the two aforementioned areas. It is our understanding that this Bill is designed to leave the control of existing insurance carriers in the hands of those carriers and we feel that the creation of Medical Carriers Incorporated would be defeatist of this purpose. We feel that the supervision of the Department of Insurance is an adequate safeguard and we see little advantage in having those powers superseded or in any way diminished by the creation of any form of controlling body. We feel, in fact, that the controls necessary to ensure that all carriers do comply with a universally agreed upon open period and the maximum rate as it might be established, might be better supervised by the Department of Insurance and such would be our recommendation to you.

16. We would like next to draw to your attention the fact that great discrimination has been applied in the past to certain segments of our population and that we feel it is incumbent upon this Bill to make certain that this discrimination is not allowed





to continue. We do not refer to the discrimination against the elderly, nor against those with chronic conditions, as practiced by certain carriers, which is an all too well known fact. We refer to the discrimination against those who are generally referred to as the self-employed. We speak on behalf of these people whether living in rural or urban areas. It has been our practise, over the past 18 years, to provide the self-employed person with the highest level of hospital and medical insurance at no higher rates than are charged to our employee group members. We have found that in many, many instances the self-employed could not secure either coverages equal to, or as low in cost as, the so-called group coverages and that since they had no organized body to speak for them, were, in effect, being unfairly burdened with extra costs due to their self-employed status. We would urge you, ladies and gentlemen, to incorporate in your recommendations, relative to this Bill, provisions that would do away with this unequal treatment of the residents of our Province. We would respectfully draw to your attention that, while it is quite true that there is an administrative burden of a limited nature put on the carrier who deals with the self-employed in terms of direct collection of premiums as opposed to bulk remittances from an employer, the most cogent fact is that in most cases the employer will participate in the cost of the insurance, thus making it more readily available to his employees while the self-employed must pay the full burden of their insurance costs themselves. To penalize the self-employed further by discriminatory premium structures based not even on any concept of age or physical condition, but purely on one of being self-employed is





extremely unjust.

17. We have touched on the situation of the elderly and those with chronic conditions. We can say with all due modesty that our Co-operatives which, of course, are basically groups of neighbours working together, have been able in many, many instances to provide coverage to people that were in the so-called uninsurable class and it has always been a bulwark of our organization that factors of age are not used to discriminate against people. We maintain, as a matter of policy, that, regardless of developing physical conditions or attained age, no reduction in coverage or increase in premium occurs.

18. It is a rather interesting and perhaps highly revealing fact that where the Provincial average of adults over age 65 as compared to the adult population as a whole is some 13 percent, the average of those over age 65 as compared to the total adult membership enrolled by the Medical Co-operatives in this Province, is some 23 percent.

19. We would like to draw to your attention, ladies and gentlemen, the fact that, on a proportionate basis, the Medical Co-operatives in this Province have done an extremely good job of covering, at a most economical level, a very large portion of those people this Bill will serve. We would respectfully draw to your attention the fact that through Annual Meetings, special local meetings and the fact that we maintain local service offices in the Counties, we are able to learn at first hand the needs of the members. The fact that the elected Directors of Medical Co-operatives live in all areas of their local County provides a very direct and

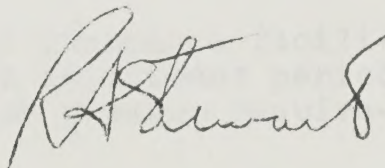




continuing relationship with the Members. The form of service we render is, therefore, directly related to the needs of the people and to the encouragement of an understanding by the individual Members of their responsibilities to their own organization and thus to a maintenance of a high level of social standards and morality.

20. In conclusion, ladies and gentlemen, we, the Co-operative Medical Services Federation of Ontario, would like to express our appreciation for the opportunity to appear before you and trust that the summary and conclusions appended will aid in presenting the views of our members. We will be watching with great interest your reports to the Government.

Respectfully submitted on behalf of the  
Co-operative Medical Services Federation  
of Ontario,

A handwritten signature in dark ink, appearing to read 'R. A. Stewart', with a stylized flourish at the end.

R. A. Stewart,  
President.

Co-operative Medical Services Federation of Ontario,  
35 Oak Street, Weston, Ontario.  
Telephone: 247-9121





CO-OPERATIVE MEDICAL SERVICES FEDERATION OF ONTARIO

Statement of conclusions and recommendations contained in the  
Brief presented to the Committee of Enquiry on Medical Services  
in the Province of Ontario:

1. protection of the right of self-determination  
in the areas of extent of benefits and kinds  
of service we may provide for ourselves in  
addition to the compulsory ones we must provide, Sections  
3 and 4
2. recognition by all groups that this Bill is to  
be merely the first step in the provision of  
mechanisms of complete health care insurance  
for the people of Ontario, Sections  
5, 6 & 7
3. equal and impartial treatment of all carriers  
in the settlement of accounts, Sections  
8 and 9
4. reasonable notification of changes in the  
Medical Schedule of Fees and acceptance of  
the Schedule of Fees when paid in full as  
discharge of patient or insurer liability, Sections  
10 and 11
5. establishment of medical student bursaries  
through the use of a portion of the prem-  
iums collected, Sections  
12 and 13
6. use of the Department of Insurance facili-  
ties to co-ordinate open enrollment periods  
and observance of maximum premium require-  
ments, Sections  
14 and 15
7. cessation of discriminatory premium rating  
practices against the self-employed seg-  
ments of our population, Section  
16
8. protection of the consumers' right to  
participate directly in the operation  
and control of their own democratically-  
run organization. Sections  
17, 18 & 19



Blue Cross  
Coop. - service for O.H.S.C.  
life insurance.

Basically - To provide hospitalisation  
- enlarging since 1967.

- Limitations -
- (a) G.P. service usually
  - (b) Specialist fees on extra contract.
  - (c) Nursing  
Chiropractic } included in  
Optometry } some groups

This organisation really provides G.P. service  
& hospitalisation - some counties have more  
extensive coverage, including specialist  
fees, nursing etc.

Have deductibles of various amounts etc.

Won't admit any deficiencies in rural service,  
even when directly challenged.